



# RI-1040

## Rhode Island Resident Individual Income Tax Return

This booklet contains:

RI-1040	RI Schedule M - Modifications	RI-1040H	Instructions
RI Schedule EIC	RI Schedule CR - Credits	RI-4868	RI Tax Tables
RI Schedule W	Standard Deduction Worksheet	RI-1040V	Tax Rate Schedule
RI-2210A	Exemption Worksheet		Tax Computation Worksheet

GET YOUR REFUND FASTER - E-FILE!! SEE BACK COVER FOR DETAILS.



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### NEW FOR 2012!

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This year there are only a few changes to the Personal Income Tax Return:

- ⇒ Increased Standard Deduction Amounts
- ⇒ Increased Exemption Amount
- ⇒ Increased Deduction and Exemption Phaseout Amount
- ⇒ Expanded Income Tax Brackets

**Beginning January 1, 2013, the Rhode Island Division of Taxation will no longer prepare current-year tax returns on a walk-in basis. See the back cover for more information.**

**Has your refund ever been delayed? Below are some common errors and how to avoid them.**

**Modifications:** All valid modifications, both increasing and decreasing are listed on RI Schedule M - Modification Schedule. If you have a modification to Federal AGI, the amount must be listed on the appropriate line provided. Modifications listed on a statement will cause a delay in your return. In the case of an electronically filed return, statements cannot be read causing a delay in the processing of your return and, possibly, the disallowance of the modification.

**Other Payments:** Did you receive a Form RI-1099PT from a pass-through entity? If so, the withholding shown on the Form RI-1099PT is not to be entered on the "Other Payment" line of your return. The withholding amount must be listed on RI Schedule W - Rhode Island W-2 and 1099 Information.

**Schedule W:** Be sure to verify the Federal Employer Identification number found in box b on your W-2 or the "PAYER'S federal identification number" box on your 1099 when listing it on RI Schedule W. Even though your employer may not have changed, your employer's Federal Employer Identification number may have changed causing a mismatch during the verification process.

**Rhode Island Temporary Disability Insurance:** The ruling in a recent Massachusetts court case involving Rhode Island TDI does not affect treatment of TDI in Rhode Island. RI TDI payment (also referred to as SDI) still cannot be claimed as income tax withheld on a Rhode Island income tax return.

#### **Need additional forms?**

All of our personal income tax forms and instructions are available on our website at [www.tax.ri.gov](http://www.tax.ri.gov). Forms may also be obtained by calling our forms line at (401) 574-8970, by visiting our first-floor lobby at One Capitol Hill, Providence, RI, or by emailing our forms request address at [TaxForms@tax.ri.gov](mailto:TaxForms@tax.ri.gov).

#### **Want your refund faster?**

Consider filing electronically. E-file results in fewer errors, smoother processing, and faster issuing of refunds. Also by e-filing, your refund can be deposited directly into your bank or credit union account.

If you do not have a tax preparer, you may be able to do your own federal and state returns online at no charge through the Internal Revenue Service's Free File program. Visit [www.irs.gov](http://www.irs.gov) for more information.

# [www.tax.ri.gov](http://www.tax.ri.gov)

2012 Tax Rate Schedule - FOR ALL FILING STATUS TYPES

Taxable Income (from RI-1040 or RI-1040NR, line 7)		Pay	+	% on excess	of the amount over
Over	But not over				
\$ 0	\$ 57,150	\$ ---		3.75%	\$ 0
57,150	129,900	2,143.13	+	4.75%	57,150
129,900	.....	5,598.75	+	5.99%	129,900

STANDARD DEDUCTION WORKSHEET for RI-1040 or RI-1040NR, Page 1, line 4

1. Enter applicable standard deduction amount from the chart below: ..... 1. \_\_\_\_\_

Single	\$7,800
Married filing jointly	\$15,600
Qualifying widow(er)	\$15,600
Married filing separately	\$7,800
Head of household	\$11,700

2. Enter your modified federal AGI from RI-1040 or RI-1040NR, page 1, line 3 ..... 2. \_\_\_\_\_

3. Is the amount on line 2 more than \$181,900?  
 Yes. Continue to line 4.     No. **STOP HERE!** Enter the amount from line 1 on form RI-1040 or RI-1040NR, Page 1, line 4.

4. Standard deduction phaseout amount ..... 4. **\$181,900**

5. Subtract line 4 from line 2. ..... 5. \_\_\_\_\_

**If the result is more than \$20,800, STOP HERE.**  
**Your standard deduction amount is zero (\$0). Enter \$0 on form RI-1040 or RI-1040NR, Page 1, line 4.**

6. Divide line 5 by \$5,200. If the result is not a whole number, increase it to the next higher whole number (for example, increase 0.0004 to 1). ..... 6. \_\_\_\_\_

7. Enter the applicable percentage from the chart below

<u>If the number on line 6 is:</u>	<u>then enter on line 7</u>
1	0.8000
2	0.6000
3	0.4000
4	0.2000

7. **0** . \_\_\_\_\_

8. **Deduction amount.** Multiply line 1 by line 7. Enter here and on form RI-1040 or RI-1040NR, Page 1, line 4 ..... 8. \_\_\_\_\_

EXEMPTION WORKSHEET for RI-1040 or RI-1040NR, Page 1, line 6

1. Multiply \$3,650 by the total number of exemptions ..... 1. \_\_\_\_\_

2. Enter your modified federal AGI from RI-1040 or RI-1040NR, page 1, line 3 ..... 2. \_\_\_\_\_

3. Is the amount on line 2 more than \$181,900?  
 Yes. Continue to line 4.     No. **STOP HERE!** Enter the amount from line 1 on form RI-1040 or RI-1040NR, Page 1, line 6.

4. Exemption phaseout amount ..... 4. **\$181,900**

5. Subtract line 4 from line 2. ..... 5. \_\_\_\_\_

**If the result is more than \$20,800, STOP HERE.**  
**Your exemption amount is zero (\$0). Enter \$0 on form RI-1040 or RI-1040NR, Page 1, line 6.**

6. Divide line 5 by \$5,200. If the result is not a whole number, increase it to the next higher whole number (for example, increase 0.0004 to 1). ..... 6. \_\_\_\_\_

7. Enter the applicable percentage from the chart below

<u>If the number on line 6 is:</u>	<u>then enter on line 7</u>
1	0.8000
2	0.6000
3	0.4000
4	0.2000

7. **0** . \_\_\_\_\_

8. **Exemption amount.** Multiply line 1 by line 7. Enter here and on form RI-1040 or RI-1040NR, Page 1, line 6 ..... 8. \_\_\_\_\_

# RI-1040 RHODE ISLAND RESIDENT INDIVIDUAL INCOME TAX RETURN

# 2012

NAME AND ADDRESS  please print or type	Your first name	Initial	Last name	Your social security number
	Spouse's first name	Initial	Last name	Spouse's social security number
	Present home address (number and street, including apartment number or rural route)			Daytime telephone number ( )
	City, town or post office	State	ZIP code	City or town of legal residence

**ELECTORAL CONTRIBUTION** If you want \$5.00 (\$10.00 if a joint return) to go to this fund, check here. (See instructions. This will not increase your tax or reduce your refund.)  Yes

If you wish the 1st \$2.00 (\$4.00 if a joint return) to be paid to a specific party, check the box and fill in the name of the political party. Otherwise, it will be paid to a nonpartisan general account.

**FILING STATUS** Check only one box

1  Single      2  Married filing jointly      3  Married filing separately      4  Head of household      5  Qualifying widow(er)

<b>INCOME, TAX AND CREDITS</b>	1. Federal AGI (Adjusted Gross Income) from Federal Form 1040, line 37; 1040A, line 21 or 1040EZ, line 4.....	1.	
	2. Net modifications to Federal AGI from RI Schedule M, line 3. If no modifications, enter zero on this line.....	2.	
	3. Modified Federal AGI. Combine lines 1 and 2 (add net increases or subtract net decreases).....	3.	
	4. Deductions. RI standard deduction (left margin). If line 3 is over \$181,900 see Standard Deduction Worksheet on page i.	4.	
	5. Subtract line 4 from line 3.....	5.	
	6. Exemptions. Enter federal exemptions in box, multiply by \$3,650 and enter result on line 6. <input type="checkbox"/> X \$3,650 =	6.	
	7. <b>RI TAXABLE INCOME.</b> Subtract line 6 from line 5.....	7.	
	8. RI income tax from Rhode Island Tax Table or Tax Computation Worksheet .....	8.	
	9. A. RI percentage of allowable Federal credit from page 2, RI Schedule I, line 22.....	9A.	
	B. RI credit for income taxes paid to other states from page 2, RI Schedule II, line 29.....	9B.	
	C. Other Rhode Island Credits from RI Schedule CR, line 4 .....	9C.	
	D. Total RI credits. Add lines 9A, 9B and 9C .....	9D.	
	10. A. Rhode Island income tax after credits. Subtract line 9D from line 8 (not less than zero).....	10A.	
B. Recapture of Prior Year Other Rhode Island Credits from RI Schedule CR, line 7.....	10B.		
11. RI checkoff contributions from page 2, RI Checkoff Schedule, line 37 (Contributions reduce your refund or increase your balance due.)	11.		
12. USE/SALES tax due from page I-4, line 6 of the Individual Consumer's Use/Sales Tax Worksheet .....	12.		
13. <b>TOTAL RI TAX AND CHECKOFF CONTRIBUTIONS.</b> Add lines 10A, 10B, 11 and 12 .....	13.		

<b>PAYMENTS AND PROPERTY TAX RELIEF CREDIT</b>	14. A. Rhode Island 2012 income tax withheld from RI Schedule W, line 21... (All Forms W-2 and 1099 with RI withholding, AND Schedule W must be attached)	14A.		Check <input checked="" type="checkbox"/> if extension is attached. <input type="checkbox"/>
	B. 2012 estimated tax payments and amount applied from 2011 return.....	14B.		
	C. Property tax relief credit from form RI-1040H, line 16 or 23. Attach Form RI-1040H	14C.		
	D. RI earned income credit from page 2, RI Schedule EIC, line 46.....	14D.		
	E. RI Residential Lead Paint Credit from Form RI-6238, line 7. Attach Form RI-6238	14E.		
	F. Other payments.....	14F.		
	G. <b>TOTAL PAYMENTS AND CREDITS.</b> Add lines 14A, 14B, 14C, 14D, 14E and 14F .....	14G.		

<b>AMOUNT DUE</b>	15. A. <b>AMOUNT DUE.</b> If line 13 is LARGER than line 14G, subtract line 14G from 13 .....	15A.	
	B. Check <input type="checkbox"/> if RI-2210 or RI-2210A is attached and enter underestimating interest due. This amount should be added to line 15A or subtracted from line 16, whichever applies.	15B.	
	C. <b>TOTAL AMOUNT DUE.</b> Add lines 15A and 15B. Complete RI-1040V and send in with your payment .....	15C.	

<b>REFUND</b>	16. <b>AMOUNT OVERPAID.</b> If line 14G is LARGER than line 13, subtract line 13 from line 14G..... If there is an amount due for underestimating interest on line 15B, subtract line 15B from line 16.	16.	
	17. Amount of overpayment to be refunded.....	17.	
	18. Amount of overpayment to be applied to 2013 estimated tax.....	18.	

RI SCHEDULE I - ALLOWABLE FEDERAL CREDIT

Table with 2 columns: Description and Amount. Rows include: 19. RI income tax from page 1, line 8; 20. Credit for child and dependent care expenses; 21. Tentative allowable federal credit; 22. MAXIMUM CREDIT.

RI SCHEDULE II CREDIT FOR INCOME TAXES PAID TO ANOTHER STATE

NOTE: You must attach a signed copy of the state tax return(s) for which you are claiming credit.

Table with 2 columns: Description and Amount. Rows include: 23. RI income tax from RI-1040; 24. Income derived from other state; 25. Modified federal AGI; 26. Divide line 24 by line 25; 27. Tentative credit; 28. Tax due and paid to other state; 29. MAXIMUM TAX CREDIT.

RI CHECKOFF CONTRIBUTIONS SCHEDULE

NOTE: Contributions reduce your refund or increase your balance due.

Table with 4 columns: Contribution Name, Amount (\$1.00, \$5.00, \$10.00, Other), and Amount. Rows include: 30. Drug program account; 31. Olympic Contribution; 32. RI Organ Transplant Fund; 33. RI Council on the Arts; 34. RI Nongame Wildlife Fund; 35. Childhood Disease Victims' Fund; 36. RI Military Family Relief Fund; 37. TOTAL CONTRIBUTIONS.

RI SCHEDULE EIC RHODE ISLAND EARNED INCOME CREDIT

Table with 2 columns: Description and Amount. Rows include: 38. Rhode Island income tax; 39. Federal earned income credit; 40. Rhode Island percentage (25%); 41. Multiply line 39 by line 40; 42. Enter the SMALLER of line 38 or line 41; 43. Subtract line 42 from line 41; 44. Refundable percentage (15%); 45. Rhode Island refundable earned income credit; 46. TOTAL RI EARNED INCOME CREDIT.

Under penalties of perjury, I declare that I have examined this return, and to the best of my knowledge and belief, it is true, correct and complete.

Table for signatures and dates. Columns: Your Signature, Date, Spouse's Signature, Date.

May the division contact your preparer about this return? Yes [ ] Preparer's name (please print): Paid preparer's signature and address SSN, PTIN or EIN Telephone number

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# RI SCHEDULE W RHODE ISLAND W2 AND 1099 INFORMATION 2012

Name(s) shown on Form RI-1040 or RI-1040NR	Your social security number
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Complete the Schedule below listing all of your and your spouse's (if applicable) W2s and 1099s showing Rhode Island Income Tax withheld. **W2s or 1099s showing Rhode Island Income Tax withheld must still be attached to the front of your return.** Failure to do so may delay the processing of your return. **ATTACH THIS SCHEDULE W TO YOUR RETURN**

	Column A	Column B	Column C	Column D	Column E
	Enter "S" if for Spouse	Enter 1099 letter code from chart	Employer's Name from Box C of your W2 or Payer's Name from your Form 1099	Employer's Federal ID # from box b of your W2 or Payer's Federal ID # from Form 1099	Rhode Island Income Tax Withheld (SEE BELOW FOR BOX REFERENCES)
1.					
2.					
3.					
4.					
5.					
6.					
7.					
8.					
9.					
10.					
11.					
12.					
13.					
14.					
15.					
16.					
17.					
18.					
19.					
20.					

21. Total RI Income Tax Withheld. Add lines 1 through 20, Column E. Enter total here and on RI-1040, line 14A or RI-1040NR, line 17A .....	
22. Total number of W2s and 1099s showing Rhode Island Income Tax Withheld .....	

**INSTRUCTIONS FOR COMPLETING SCHEDULE W**

Lines 1 - 20:  
Please complete columns A, B, C, D and E for each W2 and 1099 showing Rhode Island withholding.

Column A: For each W2 or 1099 being entered, leave blank if the W2 or 1099 is for you. Enter an "S" if the W2 or 1099 belongs to your spouse.

Column B: For each W2 or 1099 being entered, leave blank if the information being entered is from a W2. For all 1099s being entered, enter the letter code from the chart to the right.

Column C: For each W2 or 1099 being entered, enter the name of the employer or payer.

Column D: For each W2, enter the employer identification number from box b of the W2. For each 1099, enter the payer's federal identification number.

Column E: For each W2 or 1099, enter the amount of Rhode Island withholding as shown on each form. See chart to the right for box reference.

Line 21: Total Rhode Island Income Tax Withheld. Add the amounts from Column E, lines 1 through 20. Enter the total here and on RI-1040, line 14A or RI-1040NR, line 17A.

Line 22: Enter the number of W2s and 1099s entered on lines 1-20 showing Rhode Island income tax withheld.

**Schedule W plus all W2s and 1099s with Rhode Island withholding must be attached to your Rhode Island return in order to receive credit for your Rhode Island withholding tax amount.**

**ATTACH THIS FORM TO YOUR RHODE ISLAND RETURN.**

Schedule W Reference Chart		
Form Type	Letter Code for Column B	Withholding Box
W2	-	17
W-2G	-	14
1099-B	B	15
1099-DIV	D	14
1099-G	G	11
1099-INT	I	13
1099-MISC	M	16
1099-OID	O	10
1099-R	R	12
RI-1099PT	P	9

Name(s) shown on Form RI-1040 or RI-1040NR

Your social security number

## PART 1 REQUIRED ANNUAL PAYMENT

1. Enter your **2012** RI income tax from RI-1040, line 10A less lines 14D and 14E or RI-1040NR, line 13A less line 17D..... 1. \_\_\_\_\_
2. Enter 80% of the amount shown on line 1..... 2. \_\_\_\_\_
3. RI withheld taxes paid for **2012** from RI-1040, line 14A or RI-1040NR, lines 17A and 17C ..... 3. \_\_\_\_\_
4. Subtract line 3 from line 1. **If the result is \$250.00 or less, do not complete the rest of this form.**..... 4. \_\_\_\_\_
5. Enter your **2011** RI tax from RI-1040, line 10 less line 14D and 14E or RI-1040NR, line 13 less line 17D..... 5. \_\_\_\_\_
6. Enter the **SMALLER** of line 2 or line 5..... 6. \_\_\_\_\_

## PART 2 SHORTCUT METHOD

You can use this method if you meet the following conditions **(Otherwise, you must complete RI-2210 to figure your underestimating interest):**

- ① You made no estimated payments **OR** all 4 estimated payments were equal and paid by the appropriate due dates;
- ② **AND** you did not complete RI-2210, part 5 (Annualized Income Installment Worksheet).
7. Enter the amount from Part 1, line 6 above..... 7. \_\_\_\_\_
8. Enter the total withholding and estimated tax you paid from RI-1040, lines 14A and 14B or RI-1040NR, lines 17A, 17B and 17C. 8. \_\_\_\_\_
9. Underpayment. Subtract line 8 from line 7. **If zero or less, enter \$0.**..... 9. \_\_\_\_\_
10. Multiply line 9 by 12.0205% (.120205)..... 10. \_\_\_\_\_
11. If the amount on line 9 was paid on or after 4/15/2013, enter \$0  
If the amount on line 9 was paid before 4/15/2013, make the following calculation:  
The amount on line 9 (times) the number of days paid before 4/15/2013 (times) .00033 and enter the result here..... 11. \_\_\_\_\_
12. **UNDERESTIMATING INTEREST.** Subtract line 11 from line 10. Enter here and on RI-1040, line 15B or RI-1040NR, line 18B. 12.  **Check the box on that line and attach this form to your Rhode Island return.**

## INSTRUCTIONS

### PURPOSE OF THIS FORM

Individuals (**except qualified farmers and fishermen**) should use this form to determine if their income tax was sufficiently prepaid throughout the year by having Rhode Island tax withheld or by paying Rhode Island estimated tax; if not, an assessment may be imposed on the underpayment of the taxes. Complete Part 1 of this form to determine if the payment of the assessment may be avoided.

### WHO CAN FILE THIS FORM

You can use this form only if you meet the following conditions ① You made no estimated payments **OR** all 4 estimated payments were equal and paid by the appropriate due dates **AND** ② You are not completing the Annualization Income Worksheet on Form RI-2210. If you do not meet these conditions, you must file Form RI-2210. Form RI-2210 is available online at [www.tax.ri.gov](http://www.tax.ri.gov) or by calling our forms department at (401) 574-8970.

### FARMERS AND FISHERMEN

If you meet **BOTH** of the following tests, you may be exempt from the charge for underpayment of estimated tax: ① Gross income from farming or fishing is at least 2/3 (two thirds) of your annual gross income **AND** ② you filed Form RI-1040 or RI-1040NR and paid the tax due on or before March 1, 2013. If you meet both of the tests, enter zero on Form RI-2210A, line 12. Also, enter zero for interest due on Form RI-1040, page 1, line 15B or RI-1040NR, page 1, line 18B; check the box on that line and attach this form to your return. If you do not meet these conditions, you must file Form RI-2210. Form RI-2210 is available online at [www.tax.ri.gov](http://www.tax.ri.gov) or by calling our forms department at (401) 574-8970.

## PART 1 REQUIRED ANNUAL PAYMENT

- Line 1 Enter your **2012** Rhode Island tax from RI-1040, line 10A less lines 14D and 14E or RI-1040NR, line 13A less line 17D.
- Line 2 Multiply line 1 by 80% (.80).
- Line 3 Enter the amount of **2012** Rhode Island income taxes withheld from RI-1040, line 14A or RI-1040NR, lines 17A and 17C.
- Line 4 Subtract line 3 from line 1. If the result is \$250.00 or less, you do not owe any underestimating interest and need not complete the rest of this form.
- Line 5 Enter your **2011** Rhode Island income tax from RI-1040, line 10 less lines 14D and 14E or RI-1040NR, line 13 less line 17D. If you had no federal tax liability for **2011** and you were a Rhode Island resident during all of **2011**, and your **2011** federal tax was (or would have been had you been required to file) for a full 12 months, then enter zero (0).
- Line 6 Enter the **SMALLER** of line 2 or line 5 (including zero). If line 6 is zero, you do not owe any underestimating interest and need not complete the rest of this form. However, you must attach this form to your Rhode Island return.

## PART 2 SHORTCUT METHOD

- Line 7 Enter the amount from part 1, line 6.
- Line 8 Enter the amount of estimated and withholding tax you paid for **2012** from RI-1040, lines 14A and 14B or RI-1040NR, lines 17A, 17B and 17C.
- Line 9 Subtract line 8 from line 7. If zero or less, enter \$0.
- Line 10 Multiply line 9 by 12.0205% (.120205).
- Line 11 If you paid the tax balance due before 4/15/2013, multiply the number of days paid before 4/15/2013 by the amount on line 9 by .00033 and enter the amount on line 11.
- Line 12 Subtract line 11 from line 10. Enter here and on RI-1040, page 1, line 15B or RI-1040NR, page 1, line 18B.

Name(s) shown on Form RI-1040 or RI-1040NR

Your social security number

NOTE: For each modification being claimed you must enter the modification amount on the corresponding modification line and attach documentation supporting your modification. Otherwise, the processing of your return may be delayed.

MODIFICATIONS INCREASING FEDERAL AGI

- 1. A. Income from obligations of any state or its political subdivisions, other than Rhode Island under RIGL §44-30-12(b)(1) and RIGL §44-30-12(b)(2)..... 1A. \_\_\_\_\_
B. Rhode Island fiduciary adjustment as beneficiary of an estate or trust under RIGL §44-30-17..... 1B. \_\_\_\_\_
C. Recapture of Family Education Account modifications under RIGL §44-30-25(g)..... 1C. \_\_\_\_\_
D. Bonus depreciation that has been taken for federal purposes that must be added back to Rhode Island income under RIGL §44-61-1..... 1D. \_\_\_\_\_
E. Section 179 depreciation that has been taken for federal purposes that must be added back to Rhode Island income under RIGL §44-61-1.1..... 1E. \_\_\_\_\_
F. Recapture of Tuition Saving Program modifications (section 529 accounts) under RIGL §44-30-12(b)(4).... 1F. \_\_\_\_\_
G. Recapture of Historic Tax Credit or Motion Picture Production Tax Credit modifications decreasing Federal AGI previously claimed under RIGL §44-33.2-3(e)(2) and RIGL §44-31.2-9 respectively..... 1G. \_\_\_\_\_
H. Recapture of Scituate Medical Savings Account modifications under RIGL §44-30-25.1(d)(3)(i)..... 1H. \_\_\_\_\_
I. Total modifications INCREASING Federal AGI. Add lines 1A through 1H..... 1I. \_\_\_\_\_

MODIFICATIONS DECREASING FEDERAL AGI

- 2. A. Income from obligations of the US government included in Federal AGI but exempt from state income taxes reduced by investment interest on the obligations taken as a federal itemized deduction..... 2A. \_\_\_\_\_
B. Rhode Island fiduciary adjustment as beneficiary of an estate or trust under RIGL §44-30-17..... 2B. \_\_\_\_\_
C. Elective deduction for new research and development facilities under RIGL §44-32-1..... 2C. \_\_\_\_\_
D. Railroad Retirement benefits paid by the Railroad Retirement Board..... 2D. \_\_\_\_\_
E. Qualifying investment in a certified venture capital partnership under RIGL §44-43-2..... 2E. \_\_\_\_\_
F. Family Education Accounts under RIGL §44-30-25(f)..... 2F. \_\_\_\_\_
G. Tuition Saving Program contributions (section 529 accounts) under RIGL §44-30-12(c)(4). Maximum modification shall not exceed \$500 (\$1,000 if filing a joint return)..... 2G. \_\_\_\_\_
H. Exemptions from tax on profit or gain for writers, composers and artists under RIGL §44-30-1.1(c)(1)..... 2H. \_\_\_\_\_
I. Bonus depreciation that has already been taken on the Federal return that has not yet been subtracted from Rhode Island income under RIGL §44-61-1..... 2I. \_\_\_\_\_
J. Section 179 depreciation that has already been taken on the Federal return that has not yet been subtracted from Rhode Island income under RIGL §44-61-1.1..... 2J. \_\_\_\_\_
K. Modification for performance based compensation realized by an eligible employee under the Jobs Growth Act under RIGL §42-64.11-4..... 2K. \_\_\_\_\_
L. Modification for exclusion for qualifying option under RIGL §44-39.3-1 AND modification for exclusion for qualifying securities or investment under RIGL §44-43-8..... 2L. \_\_\_\_\_
M. Modification for Tax Incentives for employers under RIGL §44-55-4.1. Attach Form RI-107..... 2M. \_\_\_\_\_
N. Historic Tax Credit, Motion Picture Production Tax Credit or Musical & Theatrical Tax Credit income reported on Federal return exempt for RI purposes under RIGL §44-33.2-3(e)(2), §44-31.2-9(c) & §44-31.3-2(b)(6).... 2N. \_\_\_\_\_
O. Active duty military pay of Nonresidents stationed in Rhode Island and income for services performed in Rhode Island by the servicemember's spouse. This modification does NOT apply to RI residents..... 2O. \_\_\_\_\_
P. Scituate Medical Savings Account contributions that are taxable on the Federal Return but exempt from Rhode Island under RIGL §44-30-25.1(d)(1)..... 2P. \_\_\_\_\_
Q. Amounts of insurance benefits for dependents and domestic partners included in Federal AGI pursuant to chapter 12 of title 36 or other coverage plan under RIGL §44-30-12(c)(6)..... 2Q. \_\_\_\_\_
R. Modification for Organ Transplantation for specific unreimbursed expenses incurred by claimant under RIGL §44-30-12(c)(7). This modification applies to RHODE ISLAND RESIDENTS ONLY..... 2R. \_\_\_\_\_
S. Modification for Resident business owner in certified enterprise zone under RIGL §42-64.3-7. This modification applies to RHODE ISLAND RESIDENTS ONLY..... 2S. \_\_\_\_\_
T. Income from the discharge of business indebtedness claimed as income on Federal return and previously claimed as RI income under the American Recovery and Reinvestment Act of 2009 under RIGL §44-66-1..... 2T. \_\_\_\_\_
U. Total modifications DECREASING Federal AGI. Add lines 2A through 2T and enter as a negative amount..... 2U. ( \_\_\_\_\_ )

NET MODIFICATIONS TO FEDERAL AGI

3. NET MODIFICATIONS TO FEDERAL AGI. COMBINE lines 1I and 2U. Enter here and on RI-1040 or RI-1040NR, page 1, line 2. 3. [ ]

RI SCHEDULE CR - OTHER RI CREDITS

CURRENT YEAR CREDITS

NOTE: You must attach proper forms and documentation with this schedule or it will delay the processing of your return.

- The original certificate must be attached if taking credit for any of the below credits.
■ If using a carryforward amount, you must attach a carryforward schedule.
■ If the credit you are trying to use is not listed below, that means the credit is no longer allowed as a credit against personal income tax.

For more details on each credit, please see page I-6 of the RI-1040 instructions or page I-8 of the RI-1040NR instructions. The instructions are also available on the tax division's website: www.tax.ri.gov

Table with 4 rows: 1. RI-2276 TAX CREDIT FOR CONTRIBUTIONS TO SCHOLARSHIP ORGANIZATIONS - RIGL §44-62; 2. RI-286B HISTORIC PRESERVATION INVESTMENT TAX CREDIT - RIGL §44-33.2; 3. RI-8201 MOTION PICTURE PRODUCTION COMPANY TAX CREDIT - RIGL §44-31.2 and MUSICAL AND THEATRICAL PRODUCTION TAX CREDITS - RIGL §44-31.3; 4. TOTAL CREDITS. Add lines 1 through 3. Enter here and on RI-1040, page 1, line 9C or RI-1040NR, page 1, line 12

RECAPTURE OF PRIOR YEAR CREDITS

Table with 3 rows: 5. Recapture credit #1: Enter credit number and credit name; 6. Recapture credit #2: Enter credit number and credit name; 7. TOTAL CREDIT RECAPTURE. Add lines 5 and 6. Enter here and on RI-1040, pg 1, line 10B or RI-1040NR, pg 1, line 13B.



PURPOSE OF FORM RI-4868

Use Form RI-4868 to obtain an automatic 6 month extension of time to file a Rhode Island Individual Income Tax Return. Form RI-4868 can be used to extend the filing of Form RI-1040, Rhode Island Resident Individual Tax Return, or RI-1040NR, Nonresident Income Tax Return.

The filing or granting of an extension of time to file does not extend the time for payment of tax due on the return.

Filing Form RI-4868 DOES NOT extend the time to file Form RI-1040H or Form RI-6238. These forms must be filed on or before April 15, 2013 even if you file an extension for Form RI-1040.

EXTENSION OF TIME

The Rhode Island extension form need not be filed if you are not required to make payment with Rhode Island extension form.

If you must file a Rhode Island request for extension, you should:

- 1. Prepare the Rhode Island Extension Form RI-4868.
2. Clearly show the full amount properly estimated as Rhode Island income tax for the year 2012. If a proper estimate is not made, the extension request will not be considered valid.
3. File the extension with the Rhode Island Division of Taxation on or before April 15, 2013.
4. Pay the amount of Rhode Island tax due as calculated on Form RI-4868 on or before April 15, 2013.
5. Be sure to attach a copy of the Form RI-4868 to the front of the Rhode Island return when it is filed.
6. Retain the top portion of this form for your records. Detach and return the lower portion with your payment.

Date Paid Check Number Amount

\$

ADDITIONAL INFORMATION

The tax due on the return must be paid on or before April 15, 2013.

HOW TO PREPARE YOUR PAYMENT?

Make your check or money order payable to the "R.I. Division of Taxation." Do not send cash. Make sure your name and address appear on your check or money order. Write "Form RI-4868", your daytime phone number and the your social security number on your check or money order.

HOW TO SEND IN YOUR RI-4868

Retain the top portion of this form for your records. Detach and return the lower portion with your payment. DO NOT staple or otherwise attach your payment and Form RI-4868 to each other. Instead, just put them loose in the envelope. Mail your payment and Form RI-4868 to the Rhode Island Division of Taxation, Dept#87, PO Box 9703, Providence, RI 02940-9703.

PAYMENT BY CREDIT CARD

OFFICIAL PAYMENTS CORP.



Contact the service provider listed on this page and follow their instructions. Enter on page 1 of Form RI-1040 or RI-1040NR, in the upper left corner, the confirmation number you were given at the end of the transaction and the amount of your tax payment (not including the convenience fee).

Telephone: 1-800-2PAY-TAX (1-800-272-9829)

Internet: www.officialpayments.com

DETACH EXTENSION AT PERFORATION TO MAIL IN

APPLICATION FOR AUTOMATIC EXTENSION OF TIME TO FILE RHODE ISLAND INDIVIDUAL INCOME TAX RETURN

Form with fields for Name(s), Address, City, State, ZIP Code, Social Security Number, and Spouse's social security number.

Enter tentative tax computation

A. Tentative Rhode Island income tax

B. Total tax withheld, payments & credits

C. Balance Due (line A less line B)

3. ENTER AMOUNT ENCLOSED \$ .00

RI-4868

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WHAT IS FORM RI 1040V AND DO YOU NEED TO USE IT?

It is a statement you send with your payment of any balance due on line 15C of your Form RI-1040 or line 18C of your Form RI-1040NR. Using Form RI-1040V allows us to process your payment more accurately and efficiently. We strongly encourage you to use Form RI-1040V, but there is no penalty if you do not do so.

HOW TO FILL IN FORM RI-1040V

RI-1040V STATE OF RHODE ISLAND Payment Voucher 2012  
 DIVISION OF TAXATION - DEPT#85 - PO BOX 9703 - PROVIDENCE, RI 02940-9703

DO NOT STAPLE OR ATTACH THIS VOUCHER TO YOUR PAYMENT

1. NAME  
 ADDRESS  
 CITY, STATE & ZIP CODE

2. SOCIAL SECURITY NUMBER  
 SPOUSE'S SOCIAL SECURITY NUMBER

RI-1040V

4. ENTER AMOUNT ENCLOSED \$ 00 3.

Box 1. Enter your name(s) and address as shown on your return.

Box 2. Enter your social security number and your spouse's social security number (if making a joint payment) in the boxes provided.

Box 3. Enter the amount of the payment you are making. Also, enter below for your records.

Date Paid	Check Number	Amount
_____	_____	_____

HOW TO PREPARE YOUR PAYMENT

Make your check or money order payable to the "R.I. Division of Taxation." Do not send cash. Make sure the name and address appears on the check or money order. Write "Form RI-1040V," daytime phone number and social security number on your check or money order.

HOW TO SEND IN YOUR RETURN, PAYMENT, AND RI-1040V

Retain the top portion of this form for your records. Detach and return the lower portion with your payment. DO NOT staple or otherwise attach your payment or Form RI-1040V to your return or to each other. Instead, just put them loose in the envelope. Mail your tax return to the Rhode Island Division of Taxation, One Capitol Hill, Providence, RI 02908-5806. Mail your payment and Form RI-1040V to the Rhode Island Division of Taxation, Dept#85, PO Box 9703, Providence, RI 02940-9703.

PAYMENT BY CREDIT CARD



Contact the service provider listed on this page and follow their instructions. Enter on page 1 of Form RI-1040 or RI-1040NR, in the upper left corner, the confirmation number you were given at the end of the transaction and the amount of your tax payment (not including the convenience fee).

Telephone: 1-800-2PAY-TAX (1-800-272-9829)  
 Internet: www.officialpayments.com

DETACH VOUCHER AT PERFORATION TO MAIL IN WITH YOUR PAYMENT

DO NOT STAPLE OR ATTACH THIS VOUCHER TO YOUR PAYMENT OR YOUR RETURN

1. Name(s)
Address
City State ZIP Code
2. Your social security number
Spouse's social security number, if joint payment

RI-1040V

3. ENTER AMOUNT ENCLOSED \$ \_\_\_\_\_ .00

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First name	Initial	Last name	Your social security number
Spouse's first name	Initial	Last name	Spouse's social security number
Mailing address			Daytime telephone number
City, town or post office	State	ZIP code	City or town of legal residence

**If using a Post Office Box or if your Mailing Address is different from your Home Address, enter your Home Address here:**

**PART 1 ANSWER THE FOLLOWING QUESTIONS TO DETERMINE IF YOU QUALIFY FOR PROPERTY TAX RELIEF**

A. Were you a legal resident of Rhode Island for all of 2012 .....	A. YES <input type="checkbox"/> <input type="checkbox"/> NO
B. Did you live in a household or rent a dwelling that was subject to property tax .....	B. YES <input type="checkbox"/> <input type="checkbox"/> NO
C. Are you current for property taxes or rent due on the homestead for all prior years .....	C. YES <input type="checkbox"/> <input type="checkbox"/> NO
D. Are you current on 2012 property taxes or rent and will pay any unpaid installments .....	D. YES <input type="checkbox"/> <input type="checkbox"/> NO
E. Was your household income \$30,000 or less (from part 2, line 9 below) .....	E. YES <input type="checkbox"/> <input type="checkbox"/> NO

**IF YOU ANSWER NO TO ANY OF THESE QUESTIONS, YOU ARE NOT ELIGIBLE FOR THIS CREDIT. STOP HERE. DO NOT COMPLETE THIS FORM.**

**PART 2 ENTER ALL INCOME RECEIVED BY YOU AND OTHER MEMBERS LIVING IN YOUR HOUSEHOLD**

**If no federal return is filed, DO NOT complete part 2. Instead go to page 2, complete part 6 and enter the result on line 9 below.**

1. Adjusted gross income from Federal Form 1040, line 37; 1040A, line 21 or 1040EZ, line 4.....	1.
2. Non-taxable interest and dividends .....	2.
3. Capital gains not included in line 1 .....	3.
4. Social security (including Medicare premiums) and Railroad Retirement benefits not included in line 1 .....	4.
5. Worker's compensation and tax exempt pensions .....	5.
6. Cash public assistance payments (welfare, etc.) .....	6.
7. Other non-taxable income (e.g. child support received, cash assistance from friends/family). Specify: .....	7.
8. Addback of rental losses, business losses, capital losses, exclusion of foreign income and losses from pass-through entity.....	8.
9. <b>TOTAL 2012 HOUSEHOLD INCOME.</b> Add lines 1 through 8 or enter amount from page 2, part 6, line 39 .....	9.

**PART 3 ADDITIONAL INFORMATION - ATTACH A COPY OF YOUR 2012 SOCIAL SECURITY AWARD LETTER OR FORM 1099 TO 1040H FORM**

10A. Enter your date of birth .....	10A. <input type="text"/> / <input type="text"/> / <input type="text"/>	10B. Enter spouse's date of birth .....	10B. <input type="text"/> / <input type="text"/> / <input type="text"/>
10C. Were you or your spouse disabled and receiving Social Security Disability payments during 2012 .....	10C. YES <input type="checkbox"/> <input type="checkbox"/> NO		
10D. Indicate the number of persons in your household .....	10D. <input type="text"/>	10E. Enter the number of persons listed in 10D that are dependents under the age of 18 .....	10E. <input type="text"/>

**PART 4 TO BE COMPLETED BY HOMEOWNERS ONLY- ATTACH A COPY OF YOUR 2012 PROPERTY TAX BILL TO 1040H FORM**

11. Enter the amount of property taxes you paid or will pay for 2012 .....	11.
12. Enter the amount from line 9 above .....	12. <input type="text"/>
13. Enter percentage from computation table on back page .....	13. <input type="text"/> %
14. Multiply amount on line 12 by percentage on line 13 .....	14. <input type="text"/>
15. Tentative credit. Line 11 minus line 14. If line 14 is greater than line 11, enter zero.....	15. <input type="text"/>
16. <b>PROPERTY TAX RELIEF.</b> Line 15 or \$300.00, whichever is <b>LESS.</b> Enter here and on Form RI-1040, line 14C.....	16. <input type="text"/>

**PART 5 TO BE COMPLETED BY RENTERS ONLY - ATTACH A COPY OF YOUR 2012 LEASE OR 3 RENT RECEIPTS TO 1040H FORM**

<b>REQUIRED INFORMATION</b>	Name	Address	Telephone number
Enter your <b>LANDLORD'S</b> name, address and telephone number:	<input type="text"/>	<input type="text"/>	<input type="text"/>

17. Enter amount of rent you paid in 2012 .....	17.
18. Multiply the amount on line 17 by 20% .....	18. <input type="text"/>
19. Enter the amount from line 9 above .....	19. <input type="text"/>
20. Enter percentage from computation table on back page .....	20. <input type="text"/> %
21. Multiply amount on line 19 by percentage on line 20 .....	21. <input type="text"/>
22. Tentative credit. Line 18 minus line 21. If line 21 is greater than line 18, enter zero.....	22. <input type="text"/>
23. <b>PROPERTY TAX RELIEF.</b> Line 22 or \$300.00, whichever is <b>LESS.</b> Enter here and on Form RI-1040, line 14C.....	23. <input type="text"/>

Under penalties of perjury, I declare that I have examined this return, and to the best of my knowledge and belief, it is true, correct and complete.

I also certify that the property taxes accrued and used for the purpose of the property tax relief credit have been or will be paid by me and there are no delinquent property taxes on my homestead.

Your signature <input style="width:80%;" type="text"/>	Spouse's signature <input style="width:80%;" type="text"/>
Date	Date

Paid preparer's signature and address	SSN, PTIN or EIN	Telephone number ( )
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# PART 6 WORKSHEET FOR COMPUTING TOTAL HOUSEHOLD INCOME

IF YOU DO NOT FILE A FEDERAL TAX RETURN, USE THE FOLLOWING WORKSHEET TO COMPUTE YOUR TOTAL HOUSEHOLD INCOME.

24. Social security (including Medicare premiums) and Railroad Retirement benefits.....	24.	
25. Unemployment benefits, worker's compensation.....	25.	
26. Wages, salaries, tips, etc.....	26.	
27. Dividends and interest (taxable and nontaxable).....	27.	
28. Business and Farm income (net of expenses).....	28.	
29. Pension and annuity income (taxable and nontaxable).....	29.	
30. Rental income (net of expenses).....	30.	
31. Partnership, estate and trust income.....	31.	
32. Total gain on sale or exchange of property.....	32.	
33. Loss on sale or exchange of property (capital losses are limited to \$3,000.00).....	33.	
34. Cash public assistance (welfare, etc.).....	34.	
35. Alimony and child support received.....	35.	
36. Nontaxable military compensation and cash benefits.....	36.	
37. Other income, including cash assistance from friends or family for rent or utilities. Specify: _____	37.	
38. Addback of rental losses, business losses, capital losses, exclusion of foreign income and losses from pass-through entity.....	38.	
39. <b>TOTAL 2012 HOUSEHOLD INCOME.</b> Add lines 24 through 38. Enter here and on Form RI-1040H, page 1, line 9.....	39.	

## COMPUTATION TABLE INSTRUCTIONS

- Step 1 Read down the column titled household income until you find the income range that includes the amount shown on line 9.
- Step 2 Read across from the income range line determined in step 1 to find the percent of income allowed as a credit. Enter this percentage on line 13 or line 20, whichever applies.

Household income	Percentage of income allowable as credit	
	1 person	2 or more
Less than 6,001	3%	3%
6,001 - 9,000	4%	4%
9,001 - 12,000	5%	5%
12,001 - 15,000	6%	5%
15,001 - 30,000	6%	6%

## GENERAL INSTRUCTIONS

### WHEN AND WHERE TO FILE

Form RI-1040H **must** be filed by April 15, 2013.

Even if you are seeking a filing extension for your Rhode Island income tax return, RI-1040, Form RI-1040H **must** be filed by April 15, 2013. An extension of time to file Form RI-1040, does **NOT** extend the time to file Form RI-1040H.

If filing with Form RI-1040, your property tax relief credit will decrease any income tax due or increase any income tax refund.

If you are not required to file a Rhode Island income tax return, Form RI-1040H may be filed by itself without attaching it to a Rhode Island income tax return. However, Form RI-1040H **must** be filed by April 15, 2013

Your property tax relief claim should be filed as soon as possible after **December 31, 2012**. However, no claim for the year 2012 will be allowed unless such claim is filed by **April 15, 2013**. For additional filing instructions, see RIGL §44-33. Mail your property tax relief claim to the Rhode Island Division of Taxation - One Capitol Hill - Providence, RI 02908-5806.

### WHO MAY QUALIFY

To qualify for the property tax relief credit you must meet all of the following conditions:

- You must have been a legal resident of Rhode Island for the entire calendar year 2012.
- Your household income must have been \$30,000.00 or less.
- You must have lived in a household or rented a dwelling that was subject to property taxes.
- You must be current on property tax due on your homestead for all prior years and on any current installments.

### WHO MAY CLAIM CREDIT

If you meet all of the qualifications outlined above, you should complete Form RI-1040H to determine if you are entitled to a credit.

Only one person of a household may claim the credit.

The right to file a claim does not survive a person's death; therefore a claim filed on behalf of a deceased person cannot be allowed. If the claimant dies after having filed a timely claim, the amount thereof will be disbursed to another member of the household as determined by the Tax Administrator.

### IMPORTANT DEFINITIONS

What is meant by "*homestead*" - The term "homestead" means your Rhode Island dwelling, whether owned or rented, and so much of the land around it as is reasonably necessary for the use of the dwelling as a home, but not exceeding one acre. It may consist of a part of a multi-dwelling, a multi-purpose building or another shelter in which people live. It may be an apartment, a houseboat, a mobile home or a farm.

What is meant by a "*household*" - The term "household" means one or more persons occupying a dwelling unit and living as a single nonprofit house-keeping unit. Household does not mean bona fide lessees, tenants or roomers and borders on contract.

What is meant by a "*dependent*" - The term "dependent" means any person living in the household who is under the age of 18 who can be claimed by someone else on their tax return.

What is meant by "*household income*" - The term "household income" means all income received both taxable and nontaxable by all persons of a household in a calendar year while members of the household.

What is meant by "*rent paid for occupancy only*" - The term "rent paid for occupancy only" means the gross rent paid only for the right of occupying your homestead. If you rented furnished quarters, or if utilities were furnished, such as heat, electricity, etc., then you must reduce the amount of gross rent by the reasonable rental value (not cost) of the furniture and the reasonable value of such utilities as were furnished.

### LIMITATIONS ON CREDIT

Under the provisions of Section 44-33-16, a claim for relief shall exclude all taxes or rent paid with public assistance funds. The maximum amount of credit allowable under Chapter 44-33, Property Tax Relief Act, for calendar year 2012 is \$300.00. In event that more than one person owns the residence, the taxes will be divided by the owner's share.

### RENTED LAND

If you live on land that is rented and your home or trailer is subject to property tax. Multiply the amount of rent you paid in 2012 by 20% and add the amount to the property tax paid. Then enter the total on RI-1040H, line 11.

Example:

Rent (3,600 X 20%).....	720.00
Property Tax.....	+ 2,000.00
Amount to be entered on line 11...	2,720.00

# 2012 INSTRUCTIONS FOR FILING RI-1040

## GENERAL INSTRUCTIONS

This booklet contains returns and instructions for filing the 2012 Rhode Island Resident Individual Income Tax Return. Read the instructions in this booklet carefully. For your convenience we have provided "line by line instructions" which will aid you in completing your return. Please print or type so that it will be legible. Check the accuracy of your name(s), address and social security number(s).

Most resident taxpayers will only need to complete the first two pages of Form RI-1040 and RI Schedule W. Those taxpayers claiming modifications to federal adjusted gross income must complete RI Schedule M on page 5. Taxpayers claiming a credit for income taxes paid to another state must complete RI Schedule II on page 2.

Nonresidents and part-year residents will file their Rhode Island Individual Income Tax Returns using Form RI-1040NR.

### Complete your 2012 Federal Income Tax Return first.

It is the basis for preparing your Rhode Island income tax return. In general, the Rhode Island income tax is based on your federal taxable income.

Accuracy and attention to detail in completing the return in accordance with these instructions will facilitate the processing of your tax return. You may find the following points helpful in preparing your Rhode Island Income Tax Return.

### WHO MUST FILE A RETURN

**RESIDENT INDIVIDUALS** – Every resident individual of Rhode Island required to file a federal income tax return must file a Rhode Island individual income tax return (RI-1040).

A resident individual who is not required to file a federal income tax return may be required to file a Rhode Island income tax return if his/her income for the taxable year is in excess of the sum of his/her personal exemptions.

**"Resident"** means an individual who is domiciled in the State of Rhode Island or an individual who maintains a permanent place of abode in Rhode Island and spends more than 183 days of the year in Rhode Island.

For purposes of the above definition, domicile is found to be a place an individual regards as his or her permanent home – the place to which he or she intends to return after a period of absence. A domicile, once established, continues until a new fixed and permanent home is acquired. No change of domicile results from moving to a new location if the intention is to remain only for a limited time, even if it is for a relatively long duration. For a married couple, normally both individuals have the same domicile.

Any person asserting a change in domicile must show:

- (1) an intent to abandon the former domicile,
- (2) an intent to acquire a new domicile and
- (3) actual physical presence in a new domicile.

### JOINT AND SEPARATE RETURNS

**JOINT RETURNS:** Generally, if a husband and wife file a joint federal income tax return, they also must file a joint Rhode Island income tax return. However, if either the husband or the wife is a resident and the other is a non-resident, they must file separate returns, unless they elect to file a joint return as if both were residents of Rhode Island. If the resident spouse files separately in Rhode Island

and a joint federal return is filed for both spouses, the resident spouse must compute income, exemptions and tax as if a separate federal return had been filed.

If neither spouse is required to file a federal income tax return and either or both are required to file a Rhode Island income tax return, they may elect to file a joint Rhode Island income tax return.

Individuals filing joint Rhode Island income tax returns are both equally liable to pay the tax. They incur what is known as "joint and several liability" for Rhode Island income tax.

**SEPARATE RETURNS:** Individuals filing separate federal income tax returns must file separate Rhode Island income tax returns.

### MILITARY PERSONNEL

Under the provisions of the Soldiers and Sailors Civil Relief Act, the service pay of members of the armed forces can only be subject to income tax by the state of which they are legal residents. Place of legal residence at the time of entry into the service is normally presumed to be the legal state of residence and remains so until legal residence in another state is established and service records are changed accordingly. The Rhode Island income tax is imposed on all the federal taxable income of a resident who is a member of the armed forces, regardless of where such income is received.

Military pay received by a nonresident service person stationed in Rhode Island is not subject to Rhode Island income tax. This does not apply to other income derived from Rhode Island sources, e.g., if the service person holds a separate job, not connected with his or her military service, income received from that job is subject to Rhode Island income tax.

In addition, under the provisions of the Military Spouses Residency Relief Act, income for services performed by the servicemember's spouse can only be subject to income tax by the state of his/her legal residency if the servicemember's spouse meets certain conditions.

Income for services performed by the servicemember's spouse in Rhode Island would be exempt from Rhode Island income tax if the servicemember's spouse moved to Rhode Island solely to be with the servicemember complying with military orders sending the servicemember to Rhode Island. The servicemember and the servicemember's spouse must also share the same non-Rhode Island domicile.

However, other income derived from Rhode Island sources such as business income, ownership or disposition of any interest in real or tangible personal property and gambling winnings are still subject to Rhode Island income tax.

Internal Revenue Code provisions governing armed forces pay while serving in a "combat zone" or in an area under conditions that qualify for Hostile Fire Pay are applicable for Rhode Island purposes.

### DECEASED TAXPAYERS

If the taxpayer died before filing a return for 2012, the taxpayer's spouse or personal representative must file and sign a return for the person who died if the deceased was required to file a return. A personal representative can be an executor, administrator or anyone who is in charge of the taxpayer's property.

The person filing the return should write "deceased" after the deceased's name and show the date of death in the name and address space on the return.

If you are claiming a refund as a surviving spouse filing a joint return with the deceased, no other form is needed to have the refund issued to you. However, all other filers requesting a refund due the deceased, must file Form RI-1310, Statement of Person Claiming Refund Due a Deceased Taxpayer, to claim the refund.

If you are filing Form RI-1040H, the right to file a claim does not survive a person's death. Therefore, a claim filed on behalf of a deceased person cannot be allowed. If the claimant dies after having filed a timely claim, the amount thereof will be disbursed to another member of the household as determined by the Tax Administrator.

### WHERE AND WHEN TO FILE

Rhode Island income tax returns must be filed by **Monday, April 15, 2013.**

Mail your return to:

Rhode Island Division of Taxation  
One Capitol Hill  
Providence, RI 02908 – **5806**

### EXTENSION OF TIME

Any extension of time granted for filing an individual income tax return shall not operate to extend the time for the payment of any tax due on such return.

#### In General -

(1) An individual who is required to file a Rhode Island income tax return shall be allowed an automatic six month extension of time to file such return.

(2) An application must be prepared in duplicate on form RI-4868.

(3) The original of the application must be filed on or before the date prescribed for the filing of the return of the individual with the Rhode Island Division of Taxation.

(4) Such application for extension must show the full amount **properly estimated** as tax for such taxpayer for such taxable year, and such application must be accompanied by the full remittance of the amount properly estimated as tax which is unpaid as of the date prescribed for the filing of the return.

**NOTE:** If no payment is required to be made with your Rhode Island extension form and you are filing a federal extension form for the same period of time, **you do not need to submit the Rhode Island form.** Attach a copy of Federal Form 4868 or the electronic acknowledgement you receive from the IRS to your Rhode Island individual income tax return at the time it is submitted.

Filing for an extension of time to file Form RI-1040 does not extend the time to file Form RI-1040H, Rhode Island Property Tax Relief Claim or Form RI-6238, Rhode Island Residential Lead Paint Credit. **These forms must be filed by April 15, 2013.**

### WHERE TO GET FORMS

Forms may be obtained by:

- visiting the Division of Taxation's website: <http://www.tax.ri.gov> or
- calling the Division of Taxation's Forms Request line: (401) 574-8970

## MISSING OR INCORRECT FORM W-2

This form is given to you by your employer showing the amount of income tax withheld on your behalf by your employer. A copy of it must accompany your Rhode Island income tax return if you are to receive credit for such withheld tax. **Only your employer can issue or correct this form.** If you have not received a Form W-2 from your employer by February 15, 2013 or if the form which you have received is incorrect, contact your employer as soon as possible.

## ROUNDING OFF TO WHOLE DOLLARS

The money items on your return and schedules may be shown in whole dollars. This means that you may eliminate any amount less than 50 cents and increase any amount from 50 cents to 99 cents to the next higher dollar.

## CHANGES IN YOUR FEDERAL TAXABLE INCOME OR FEDERAL TAX LIABILITY

You must report to the Rhode Island Division of Taxation any change or correction in federal taxable income or federal tax liability as reported on your federal income tax return, whether resulting from the filing of an amended federal return or otherwise. Such report must be made within 90 days after filing an amended federal return or final determination of such change by the Internal Revenue Service. Use Form RI-1040X-R to report any changes.

## RHODE ISLAND LOTTERY PRIZES

Winnings and prizes received from the Rhode Island Lottery are taxable under the Rhode Island personal income tax law and are to be included in the income of both residents and nonresidents alike.

## ESTIMATED INCOME TAX PAYMENTS

If a taxpayer can reasonably expect to owe more than \$250 after allowing for withholding tax and/or credits, he or she must make estimated tax payments. Estimated tax payments are made on Form RI-1040ES that has instructions for computing the estimated tax and making payments.

## PAYMENTS OR REFUNDS

Any **PAYMENT** of tax liability shown on your return to be due the State of Rhode Island must be paid in full with your return. Complete and submit Form RI-1040V with your payment.

Make check or money order payable to the Rhode Island Division of Taxation and send them with your return to:

Rhode Island Division of Taxation  
One Capitol Hill  
Providence, RI 02908-**5806**

An amount due of less than one dollar (\$1) need not be paid.

A **REFUND** will be made if an overpayment of income tax is shown on your return, unless you indicate on your return that such overpayment is to be credited to your estimated tax liability for 2013. No other application for refund is necessary. Please note that no refund can be made unless your return is properly signed.

If you have an overpayment to be refunded, mail your return to:

Rhode Island Division of Taxation  
One Capitol Hill  
Providence, RI 02908-**5806**

Refunds of less than \$1.00 will not be paid unless specifically requested.

## REFUND CLAIMS

RIGL 44-30-87 provides different time periods within which a refund claim is allowed. A refund may be claimed within three (3) years of filing a return or two (2) years from the time the tax was paid, whichever expires later.

If a claim is made within the three (3) year period, the amount of the refund cannot exceed the amount of tax paid within that three (3) year period.

If a claim is made within the two (2) year period, the amount of refund may not exceed the portion of tax paid during the two (2) years preceding the filing of the claim.

For purposes of this section, any income tax withheld from the taxpayer during any calendar year and any amount paid as estimated income tax for a taxable year is deemed to have been paid on the fifteenth day of the fourth month following the close of the taxable year for which the payments were being made.

For more information call the Personal Income Tax Section at (401) 574-8829, option #3.

## SIGNATURE

You must sign your Rhode Island income tax return. If filing a joint return, both husband and wife must sign the return. An unsigned return cannot be processed.

Any paid preparer who prepares a taxpayer's return must also sign as "preparer". If a firm or corporation prepares the return, it should be signed in the name of the firm or corporation.

If you wish to allow the Tax Division to contact your paid preparer should questions arise about your return, check the appropriate box above the preparer's name.

## NET OPERATING LOSS DEDUCTIONS

The Rhode Island Personal Income Tax law relating to Net Operating Loss deduction (NOL) has been amended by enactment of RIGL §44-30-2.8 and RIGL §44-30-87.1

Under the provisions of RIGL §44-30-2.8, the five (5) year carry back provision for years ending in 2001 and 2002 provided by the Job Creation and Worker Assistance Act of 2002 (P.L.107-147) for federal tax purposes shall not be allowed for Rhode Island tax purposes.

If a taxpayer has already filed a return claiming a five (5) year carry back, he/she must file a Rhode Island amended return on Form RI-1040X.

Under the provisions of RIGL §44-30-87.1, for losses incurred for taxable years beginning on or after January 1, 2002, an NOL deduction may not be carried back for Rhode Island personal income tax purposes, but will only be allowed as a carry forward for the number of succeeding years as provided in IRS §172. A carry forward can only be used on the Rhode Island return to the extent that the carry forward is used on the federal return.

Should you have any questions regarding this matter, please call the Personal Income Tax Section at (401) 574-8829, option #3.

## BONUS DEPRECIATION

A bill passed disallowing the new federal bonus depreciation for Rhode Island tax purposes. When filing a Rhode Island tax return any bonus depreciation taken for federal purposes must be added back to income as a modification on RI Schedule M, line 1D for Rhode Island purposes. In subsequent years, when federal depreciation is less than what previously would have been allowed, the difference may be deducted from income as a modi-

fication on RI Schedule M, line 2I for Rhode Island purposes.

A separate schedule of depreciation must be kept for Rhode Island purposes. The gain or loss on the sale or other disposition of the asset is to be determined, for Rhode Island purposes, using the Rhode Island depreciation schedule.

**EXAMPLE:** A company bought equipment after September 11, 2001 that cost \$10,000 and had a 10 year life and qualified for 30% bonus depreciation. Depreciation for federal purposes in the first year was \$3,700 (30% X \$10,000) + (10% x 7,000). Normal depreciation in the first year would have been \$1,000. The Company should add back on RI Schedule M, line 1D the amount of \$2,700 (\$3,700 - \$1,000). In subsequent years the company should deduct \$300 (\$1000 - \$700) each year while depreciation lasts. The deduction should be on RI Schedule M, line 2I.

If a taxpayer has already filed a return, Form RI-1040X-R should be filed. Questions on this procedure should be addressed by calling the Personal Income Tax Section at (401) 574-8829, option #3.

## SECTION 179 DEPRECIATION

Rhode Island passed a bill disallowing the increase in the Section 179 depreciation under the Jobs & Growth Tax Relief Reconciliation Act of 2003. Section 179 depreciation will remain limited to \$25,000 for Rhode Island income tax purposes. When filing your Rhode Island tax return any additional Section 179 depreciation taken must be added back to federal adjusted gross income as a modification on RI Schedule M, line 1E. In subsequent years, when federal depreciation is less than what previously would have been allowed, the difference may be deducted from federal adjusted income as a modification RI-1040, schedule M, line 2J.

A separate schedule of depreciation must be kept for Rhode Island purposes. The gain or loss on the sale or other disposition of the asset is to be determined, for Rhode Island purposes, using the Rhode Island depreciation schedule.

## TUITION SAVINGS PROGRAM – SECTION 529

A modification decreasing federal adjusted gross income may be claimed for contributions made to a Rhode Island "qualified tuition program" under section 529 of the Internal Revenue Code, 26 U.S.C. §529. The maximum modification shall not exceed \$500, \$1,000 if a joint return, regardless of the number of accounts. Taxpayers should claim the modification on Schedule M, line 2G.

If the funds are rolled over to a Tuition Savings Plan of another state or are an unqualified withdrawal, recapture is required.

Taxpayers may also take a modification decreasing federal adjusted gross income in the amount of any qualified withdrawal or distribution from the "Tuition Saving Program" which is included in federal adjusted gross income. Taxpayers should claim the modification on Schedule M, line 2G.

## RHODE ISLAND TAX CREDITS

Rhode Island law provides special Rhode Island tax credits which may be applied against the Rhode Island income tax. Before claiming any credits, taxpayers should refer to the Rhode Island law and/or regulations for specific requirements for each credit such as carry over provisions and the order in which the credits must be used. Taxpayers claiming credits must attach RI Schedule CR and the proper form(s) and other documentation to the return; failure to do so will result in disallowance of the credit. A list of allowable Rhode Island credits is available on RI Schedule CR.



If you do not see a particular credit on RI Schedule CR, that means the credit is no longer allowed against personal income tax.

**INTEREST**

Any tax not paid when due, including failure to pay adequate estimated tax, is subject to interest at the rates of 18% (.1800) per annum.

Interest on refunds of tax overpayments will be paid if the refund is not paid within 90 days of the due date or the date the completed return was filed, whichever is later. The interest rate for tax overpayments is 3.25% (.0325) per annum.

**PENALTIES**

The law provides for penalties in the following circumstances:

- Failure to file an income tax return by the due

date. A late filing penalty will be assessed at 5% (0.0500) per month on the unpaid tax for each month or part of a month the return is late. The maximum late filing penalty is 25% (0.2500).

- Failure to pay any tax due by the due date. A late payment penalty will be assessed at 1/2% (0.0050) per month on the unpaid tax for each month or part of a month the tax remains unpaid. The maximum late payment penalty is 25% (0.2500).
- Preparing or filing a fraudulent income tax return.

**USE OF FEDERAL INCOME TAX INFORMATION**

All amounts reported from the Federal Forms 1040, 1040A, 1040EZ, 1040NR and 1040NR-EZ, as well as those reported on Form RI-1040, are subject to verification and audit by the Rhode Island

Division of Taxation.

The Rhode Island Division of Taxation and the Internal Revenue Service exchange income tax information to verify the accuracy of the information reported on Federal and Rhode Island income tax returns.

**OTHER QUESTIONS**

Obviously the foregoing general instructions and the specific instructions for completing the return form(s) which follow will not answer all questions that may arise. If you have any doubt regarding completion of your return, further assistance may be obtained at the Division of Taxation, One Capitol Hill, Providence RI 02908-5801 or by calling the Personal Income Tax Section at (401) 574-8829, option #3.

**SPECIFIC LINE INSTRUCTIONS**

**NAME AND ADDRESS**

Complete the identification portion of the return, including your name and social security number, your spouse's name and social security number (if applicable), address, daytime telephone number and your city or town of legal residence.

**ELECTORAL SYSTEM CONTRIBUTION**

You may designate a contribution of five dollars (\$5) or ten dollars (\$10) if married and filing a joint return, to the account for the public financing of the electoral system. The first two dollars (\$2) or four dollars (\$4) if married and filing a joint return, up to a total of two hundred thousand dollars (\$200,000) collectively for all parties and the nonpartisan account, shall be allocated only to political parties which at the preceding general election, nominated a candidate for governor and such candidate polled at least 5 percent of the entire vote cast in the state for governor. The remaining funds shall be allocated for the public financing of campaigns for governor.

An electoral system contribution will **NOT** increase your tax due or reduce your refund.

**DESIGNATION OF POLITICAL PARTY**

If you don't name a political party, your contribution will be credited to the nonpartisan general account or you can check the box and designate a political party. If you designate:

- (1) a political party which did not receive at least 5 percent of the entire vote for Governor in the preceding general election,
- (2) a non-existent political party,
- (3) a particular office,
- (4) an individual officeholder or political figure **or**
- (5) a national party which is not a state party,

your electoral system contribution will be credited to the nonpartisan general account.

If you designate more than one political party, your contribution will be credited to the first political party named.

**FILING STATUS**

Check the appropriate box to indicate your filing status. Generally your filing status for Rhode Island income tax purposes is the same as for Federal income tax purposes.

**Line 1 – Federal Adjusted Gross Income:** Enter your federal adjusted gross income from Federal Form 1040, line 37; 1040A, line 21 or 1040EZ, line 4.

**Line 2 – Modifications:** Enter your net modifications from page 5, RI Schedule M, line 3. If you are claiming a modification, you must attach RI Schedule M to your return. RI Schedule M is discussed further on page I-5 of these instructions.

**Line 3 – Modified Federal Adjusted Gross Income:** Determine your modified federal adjusted gross income by combining the amount on line 1 with the amount on line 2.

**Line 4 – Deductions:** Enter your Rhode Island standard deduction. Rhode Island does not allow the use of federal itemized deductions.

Single	\$7,800
Married Joint	\$15,600
Qualifying Widow(er)	\$15,600
Married Separate	\$7,800
Head of Household	\$11,700

However, if line 3 is more than \$181,900 see the Exemption Worksheet on page i (back of the front cover) to compute your exemption amount.

**Line 5 -** Subtract line 4 from line 3.

**Line 6 – Exemptions:** Enter the number of exemptions from Federal Form 1040, line 6d or 1040A, line 6d in the box on line 6. If you are filing a Federal 1040EZ, enter the amount from the chart below in the box on line 6.

Amount on Federal 1040EZ, line 5	Enter in box on RI-1040, line 6
Less than 5,950	0
5,950	0
9,750	1
11,900	0
15,700	1
19,500	2

**Exemption Amount:** Multiply the number of exemptions in the box by \$3,650.

However, if line 3 is more than \$181,900 see the Exemption Worksheet on page i (back of the front cover) to compute your exemption amount.

**NOTE:** If someone else can claim you on their return, your exemption amount is zero.

**Line 7 – Rhode Island Taxable Income:** Subtract line 6 from line 5.

**Line 8 – Rhode Island Income Tax:** Enter the RI income tax from the RI Tax Table or Computation Worksheet.

**Line 9A – Rhode Island Percentage of Allowable Federal Credits:** Enter the amount of allowable federal credits from page 2, RI Schedule I, line 22.

**Line 9B – Credit for Taxes Paid to Other States:** Enter amount of credit for taxes paid to other states from page 2, RI Schedule II, line 29. If credit is claimed for taxes paid to more than one state, make a separate calculation of each state on Form RI-1040MU. This form can be found on our website, [www.tax.ri.gov](http://www.tax.ri.gov) or by contacting the RI Division of Taxation at (401) 574-8970.

**NOTE:** You must attach a signed copy of each state return for which you are claiming credit. Failure to attach copies could result in the credit being disallowed.

**Line 9C - Other Rhode Island Credits:** Enter amount of Other Rhode Island Credits from page 6, RI Schedule CR, line 4. Attach RI Schedule CR and your original certificate or carry-forward schedule to your RI-1040.

**NOTE:** All credits require the original certificate be attached to the return unless the credit amount is a carry forward from a prior year. Failure to attach the original certificate will result in the disallowance of the credit until the original is provided.

**Line 9D - Total Rhode Island Credits:** Add lines 9A, 9B and 9C.

**Line 10A – Rhode Island Income Tax after Credits:** Subtract line 9D from line 8 (if zero or less, enter zero).

**Line 10B - Recapture of Prior Year Other Rhode Island Credits:** Enter amount of Credit Recapture from page 6, RI Schedule CR, line 7.

**Line 11 – Rhode Island Checkoff Contributions:** Enter the amount of checkoff contributions from page 2, RI Checkoff Contributions Schedule, line 37. A list of the checkoff contributions can be found on page I-5 of these instructions. These checkoff contributions will increase your tax due or reduce your refund.

**Line 12 – Use/Sales Tax Due:** Enter the amount of Use/Sales Tax from line 6 of the Individual Consumer's Use/Sales Tax Worksheet on page I-4 of these instructions.

**WHAT IS A USE TAX?** A Use Tax is a tax on the use of tangible personal property in a state where the property has not been subject to the sales tax. Rhode Island Use Tax applies when merchandise purchased outside of Rhode Island is brought into Rhode Island. Sales and use taxes are complementary taxes and are assessed at the same rate. In Rhode Island the sales and use tax rate is 7%.

# INDIVIDUAL CONSUMER'S USE/SALES TAX WORKSHEET

## for RI-1040, page 1, line 12

KEEP FOR YOUR RECORDS - YOU DO NOT NEED TO ATTACH THIS WORKSHEET TO YOUR RETURN.

1. Schedule of purchases subject to the use/sales tax (if you need more space to list your purchases, attach a separate sheet).	
A. _____	1A. _____
B. _____	1B. _____
C. _____	1C. _____
2. Total price of purchases subject to tax - add lines 1A, 1B and 1C .....	2. _____
3. Rhode Island percentage - 7%.....	3. _____
4. Amount of tax - multiply line 2 by line 3 .....	4. _____
5. Credit for taxes paid in other states on the items listed on line 1.....	5. _____
6. <b>TOTAL AMOUNT DUE</b> - subtract line 5 from line 4 - enter here and on Form RI-1040, page 1, line 12.....	6. _____

The Rhode Island Use Tax is most often due when merchandise subject to the sales tax in Rhode Island is purchased from an out-of-state vendor who did not collect the Rhode Island tax and the property is subsequently used in this state. Common examples of transactions from which use tax liability may arise are mail order catalog sales, toll-free "800" purchases and purchases made over the internet.

**WHAT IS TAXABLE?** The same items that are subject to the Rhode Island Sales Tax are subject to the use tax. Some typical examples of taxable items are jewelry, computers and electronic equipment. Clothing and footwear costing \$250 or less are not taxable. Refer to Rhode Island Regulation SU 12-13 for more information regarding the tax on clothing and footwear.

**Line 13 – Total Rhode Island Tax and Checkoff Contributions:** Add lines 10A, 10B, 11 and 12.

**Line 14A – Rhode Island Income Tax Withheld:** Enter total amount of Rhode Island 2012 income tax withheld from RI Schedule W, line 21. (Attach state copy of all forms W-2, 1099s, etc. to the front of the return). Credit for Rhode Island income tax withheld will be allowed only for those amounts supported by attached W-2s, 1099s, etc.

**RI Schedule W, along with your W-2s and 1099s, must be attached to your return in order to receive credit for Rhode Island income tax withheld.**

**NOTE:** You can not claim Rhode Island Temporary Disability Insurance payments (RI TDI or SDI) as income tax withheld. These amounts are non refundable on RI-1040.

**Line 14B – 2012 Estimated Payments and Amount Applied from 2011 Return:** Enter the amount of estimated payments paid on 2012 Form RI-1040ES and the amount applied from your 2011 return.

**Line 14C – Property Tax Relief Credit:** Enter the amount of allowable property tax relief credit from Form RI-1040H line 16 or 23, whichever is applicable. If you are filing a Rhode Island Form RI-1040, attach a copy of Form RI-1040H to the front of your RI-1040. However, if you are not required to file a Form RI-1040 or if you are filing an extension for your RI-1040, you may file Form RI-1040H separately to claim your property tax relief credit. Filing an extension of time to file Form RI-1040 does **NOT** extend the time to file Form RI-1040H.

**Form RI-1040H, Rhode Island Property Tax Relief Claim, must be filed by April 15, 2013.**

**Line 14D – RI Earned Income Credit:** Enter amount from page 2, RI Schedule EIC, line 46. If you are claiming a Rhode Island earned income credit, you must complete and attach RI Schedule EIC located on page 2 to your RI-1040.

**Line 14E - RI Residential Lead Paint Credit:** Enter the amount from Form RI-6238, line 7. You must attach a copy of Form RI-6238 to your RI-1040. However, if you are not required to file a Form RI-1040 or if you are filing an extension for your RI-1040, you may file Form RI-6238 separately to claim your RI Residential Lead Paint Credit. Filing an extension of time to file Form RI-1040 does **NOT** extend the time to file Form RI-6238.

**Form RI-6238, Rhode Island Residential Lead Paint Credit, must be filed by April 15, 2013.**

**Line 14F – Other Payments:** Enter any other payments and any advance payments made with your application for an automatic extension of time to file (Form RI-4868). Attach a copy of Form RI-4868 to your return and check the box on Form RI-1040, page 1 to the right of line 14.

**Any pass-through withholding from Form RI-1099PT must be entered on RI Schedule W and Form RI-1099PT must be attached to your return.**

**Line 14G – Total Payments and Credits:** Add lines 14A, 14B, 14C, 14D, 14E and 14F.

**Line 15A – Balance Due:** If the amount on line 13 is greater than the amount of line 14G, **SUBTRACT** line 14G from line 13 and enter the balance due on this line. This is the amount you owe.

**Line 15B – Underestimating Interest Due:** Complete Form RI-2210 or Form RI-2210A. Enter the amount of interest due from Form RI-2210, line 12 or line 22 or Form RI-2210A, line 12 on this line. This amount should be added to line 15A or subtracted from line 16, whichever applies.

**Line 15C – Total Amount Due:** Add lines 15A and 15B. This amount is payable in full with your return. Complete Form RI-1040V. Send payment and Form RI-1040V with your return. An amount due of less than one dollar (\$1) need not be paid.

**Line 16 – Overpayment:** If the amount on line 14G is greater than the amount on line 13 then **SUBTRACT** line 13 from line 14G and enter the overpayment on line 16.

If there is an amount due on line 15B for underestimating interest, subtract line 15B from line 16.

If the amount of underestimating interest on line 15B is more than the amount of overpayment from line 16, subtract line 16 from line 15B and enter the result on line 15C.

**Line 17 – Refund:** Enter the amount of the overpayment from line 16 that is to be refunded. Refunds of less than \$1.00 will not be paid unless specifically requested.

**Line 18 - Overpayment to be applied to 2013:** Enter the amount of overpayment from line 16 which is to be applied to your 2013 estimated tax. (See General Instructions on page I-2)

### RI SCHEDULE I ALLOWABLE FEDERAL CREDIT

**Line 19 – Rhode Island Income Tax:** Enter the amount from Form RI-1040, page 1, line 8.

**Line 20 – Credit for Child and Dependent Care Expenses:** Enter the amount from Federal Form 1040, line 48 or 1040A, line 29.

**Line 21 –** Multiply the amount on line 20 by 25%

**Line 22 - Maximum Credit:** Enter the amount from line 19 or 21, whichever is less. Enter here and on form RI-1040, page 1, line 9A.

### RI SCHEDULE II CREDIT FOR INCOME TAXES PAID TO ANOTHER STATE

 **\$44-30-18**

**If you are claiming credit for income taxes paid to more than one state, use Form RI-1040MU, Credit for Income Taxes Paid to Multiple States.** Enter the applicable amounts from Form(s) RI-1040MU onto this schedule. Form RI-1040MU is available on our website, [www.tax.ri.gov](http://www.tax.ri.gov) or by contacting the Rhode Island Division of Taxation at (401) 574-8970.

**Line 23 – Rhode Island Income Tax:** Enter the amount from page 1, line 8 less allowable federal credit from page 2, RI Schedule I, line 22.

**Line 24 – Income from Other State(s):** Enter the amount of income derived from other state. If state income tax has been paid to more than one other state, prepare a separate calculation for each state on Form RI-1040MU. Enter the amount of income from other states from Form RI-1040MU, line 29.

If you need to use more than one Form RI-1040MU, add all of the Form RI-1040MU line 29 amounts together and enter the total amount on line 24.

Out-of-state gross income is determined in the same manner as that which would be used for Federal purposes and generally includes the net amounts of income that appear on the face of the other state's return or what would be comparable to the face of the Federal Income Tax Return.

**Line 25 – Modified Federal AGI:** Enter amount from page 1, line 3.

**Line 26 –** Divide line 24 by line 25.

**Line 27 – Tentative Credit:** Multiply the amount on line 23 by the percentage on line 26.

**Line 28 – Tax Due and Paid to Other State:** Enter the amount of income tax due and paid to the other state and write the name of the state in the space provided.

If state income tax has been paid to more than one other state, prepare a separate calculation for each state, on Form RI-1040MU. Enter the amount of credit from Form RI-1040MU, line 30.

If you need to use more than one Form RI-1040MU, add all of the Form RI-1040MU line 30 amounts together and enter the total amount on line 28.

In the space provided for the name of state to which income taxes were due and paid enter "MU".

**NOTE: You must attach a signed copy of the return filed with the other state(s). If you owe no tax to the other state(s) and are to be refunded all the taxes withheld or paid to the other state(s), enter \$0.00 on line 28. If included on a composite filing in another state(s), you must attach a copy of the composite filing(s) showing your income and the taxes paid on your behalf.**

**Line 29 – Maximum Credit for Tax Paid to Another State:** Enter the amount from line 23, line 27 or line 28, whichever is the smallest. Enter here and on page 1, line 9B.

## RI CHECK-OFF CONTRIBUTIONS SCHEDULE



These checkoff contributions will increase your tax due or reduce your refund. All checkoff contributions are voluntary.

**Lines 30 through 36 – Contributions:** A contribution to the following programs may be made by checking the appropriate box(es) or by entering the amount you want to contribute. All such contributions are deposited as general revenues.

- (30) Drug Program Account
- (31) Olympic Contribution
- (32) Rhode Island Organ Transplant Fund
- (33) Rhode Island Council on the Arts
- (34) Rhode Island Non-game Wildlife Appropriation
- (35) Childhood Disease Victims' Fund
- (36) RI Military Family Relief Fund

**Line 37 – Total Contributions:** Add lines 30, 31, 32, 33, 34, 35 and 36. Enter the total here and on page 1, line 11.

## RI SCHEDULE EIC EARNED INCOME CREDIT

**Line 38 – Rhode Island Income Tax:** Enter the amount from RI-1040, page 1, line 10A.

**Line 39 – Federal Earned Income Credit:** Enter the amount of Federal Earned Income Credit from Federal Form 1040, line 64a; 1040A, line 38a or 1040EZ, line 8a.

**Line 40 –** The Rhode Island percentage is 25%.

**Line 41 –** Multiply line 39 by line 40.

**Line 42 –** Enter the **SMALLER** of line 38 or line 41.

**Line 43 –** Subtract line 42 from line 41. If zero, skip lines 44 and 45 and enter the amount from line 42 on line 46. Otherwise, continue to line 44.

**Line 44 –** The refundable Rhode Island percentage is 15%.

**Line 45 – Rhode Island Refundable Earned Income Credit:** Multiply line 43 by line 44.

**Line 46 – Total Rhode Island Earned Income Credit:** Add line 42 and line 45. Enter here and on RI-1040, line 14D.

## SCHEDULE W RHODE ISLAND W2 AND 1099 INFORMATION

If claiming Rhode Island income tax withheld on Form RI-1040, page 1, line 14A, RI Schedule W must be completed and attached. See RI Schedule W for additional instructions.

## RI SCHEDULE M RI MODIFICATIONS TO FEDERAL ADJUSTED GROSS INCOME

A complete list of modifications is available on RI Schedule M.

Modification amounts must be entered on the appropriate modification line.

You must attach all supporting schedules to any modification claimed.

If modification amounts are not listed properly on this schedule and/or supporting documents are not attached, the processing of your return will be delayed.

### Modifications INCREASING Federal AGI:

**Line 1A –** Income from obligations of any state or its political subdivision, other than Rhode Island under RIGL §44-30-12(b)(1) and §44-30-12(b)(2).

**Line 1B –** Rhode Island fiduciary adjustment as beneficiary of an estate or trust under RIGL §44-30-17.

**Line 1C –** Recapture of Family Education Account Modifications under RIGL §44-30-25(g).

**Line 1D –** Bonus depreciation that has been taken for federal purposes that must be added back to Rhode Island income under RIGL §44-61-1 (See General Instructions on page I-2 for more details).

**Line 1E –** Increased Section 179 depreciation that has been taken for federal purposes that must be added back to Rhode Island income under RIGL §44-61-1.1 (See General Instructions on page I-2 for more details).

**Line 1F –** Recapture of Tuition Savings Program modifications (section 529 accounts) under RIGL §44-30-12(b)(4) (See General Instructions on page I-2 for more details).

**Line 1G –** Recapture of Historic Structures - Tax Credit or Motion Picture Production Company Tax Credit under RIGL §44-33.2-3(e)(2) and RIGL §44-31.2-9(5), respectively.

**Line 1H –** Recapture of Scituate Medical Savings Account modifications under RIGL §44-30-25.1(d)(3)(i).

**Line 1I - Total Modifications Increasing Federal Adjusted Gross Income:** Add lines 1A through 1H.

### Modifications Decreasing Federal AGI:

**Line 2A –** Income from obligations of the United States Government to the extent included in adjusted gross income for federal tax purposes but exempt for state purposes. However, this amount shall be reduced by any investment interest incurred or continued on the obligation which has been taken as a federal itemized deduction. Example – US Government Series E bond interest. Taxpayers claiming these modifications must submit a schedule showing the source and amount of income claimed to be exempt. RIGL §44-30-12(c)(1)

**Line 2B –** Rhode Island fiduciary adjustment as beneficiary of an estate or trust under RIGL §44-30-17.

**Line 2C –** Elective deduction for new research and development facilities under RIGL §44-32-1.

**Line 2D –** Railroad Retirement benefits included in gross income for federal income tax purposes but exempt from state income taxes under the laws of the United States.

**Line 2E –** Qualifying investment in a certified venture capital partnership under RIGL §44-43-2.

**Line 2F –** Family Education Accounts under RIGL §44-30-25(f).

**Line 2G –** Tuition Saving Program (section 529 accounts) RIGL §44-30-12(c)(4) - A modification decreasing federal adjusted gross income may be claimed for any contributions made to a Rhode Island account under the tuition savings program. The maximum modification shall not exceed \$500, \$1,000 if a joint return. (See General Instructions on page I-2 for more details).

**Line 2H –** Exemptions from tax on profit or gain for writers, composers and artists residing within a section of the defined Economic Development Zone as defined in RIGL §44-30-1.1 within the cities of Newport, Providence, Pawtucket, Woonsocket or Warwick, or the Towns of Little Compton, Tiverton, Warren or Westerly and creating artistic works while a resident of the Zone. Taxpayers claiming these modifications must submit a schedule showing the source and amount of income claimed to be exempt.

**Line 2I –** Depreciation that has not been taken for federal purposes because of the bonus depreciation that must be subtracted from Rhode Island income - RIGL §44-61-1. (See General Instructions on page I-2 for more details)

**Line 2J –** Depreciation that has not been taken for federal purposes because of the increased section 179 depreciation was not taken originally - RIGL §44-61-1.1. (See General Instructions on page I-2 for more details).

**Line 2K** – Allowable modification for performance based compensation realized by an eligible employee under the Rhode Island Jobs Growth Act under RIGL §42-64.11-4.

**Line 2L** – Modification for exclusion for qualifying option under RIGL §44-39.3 AND modification for exclusion for qualifying securities or investments under RIGL §44-43-8.

**Line 2M** – Modification for Tax Incentives for Employers under RIGL §44-55-4.1. Attach Form RI-107.

**Line 2N** – Historic Structures - Tax Credit income, Motion Picture Production Company Tax Credit income or Musical and Theatrical Production Tax Credit income reported on Federal return that is tax exempt under RIGL §44-33.2-3(e)(2), RIGL §44-31.2-9(c), and RIGL §44-31.3-2(b)(6), respectively.

**Line 2O** – Active duty military pay of Nonresidents stationed in Rhode Island, as well as the income of their nonresident spouses for services performed in Rhode Island. Income for services performed by the servicemember's spouse in Rhode Island would be exempt from Rhode Island income tax only if the servicemember's spouse moves to Rhode Island solely to be with the servicemember complying with military orders sending him/her to Rhode Island. The servicemember and the servicemember's spouse must also share the same non-Rhode Island domicile.

Not all income earned by the servicemember or his/her spouse is exempt from Rhode Island income tax. Non-military pay of the servicemember, as well as business income, gambling winnings or income from the ownership or disposition of real or tangible property earned from Rhode Island by either the servicemember or his/her spouse is still subject to Rhode Island income tax.

Note: The military servicemember and/or his/her spouse may be asked to submit proof of residency to support taking this modification.

**Line 2P** – Contributions to a Scituate Medical Savings Account deemed taxable under the Internal Revenue Code, but tax exempt under RIGL §44-30-25.1(d)(1).

**Line 2Q** - Amounts of insurance benefits for dependents and domestic partners included in Federal adjusted gross income pursuant to chapter 12 under title 36 under §44-30-12(c)(6).

**Line 2R - Rhode Island full-year residents only.** Up to \$10,000 in unreimbursed expenses for travel, lodging and lost wages incurred by an individual as a result of the individual donating one or more of his/her organs to another human being for organ transplantation under RIGL §44-30-12(c)(7).

Modification can only be taken once during the lifetime of the individual and is taken in the year that the human organ transplantation occurs.

**Line 2S** - Under RIGL §42-64.3-7 a domiciliary of an enterprise zone who owns and operates a qualified business facility in that zone may, for the first three years after certification, reduce federal AGI by \$50,000 per year and may, for the fourth and fifth years, reduce federal AGI by \$25,000 per year.

**Line 2T** - Income from the discharge of business indebtedness deferred under the American Recovery and Reinvestment Act of 2009 under §44-66-1. When claimed as income on a federal tax return, this income may be reported as a decreasing modification to federal adjusted gross income to the extent it was previously included as Rhode Island income.

**Line 2U – Total Modifications Decreasing Federal Adjusted Gross Income:** Add lines 2A through 2T. Enter as a negative number.

**Line 3 – Net Modifications to Federal Adjusted Gross income:** Combine lines 1I and 2U. Enter the amount here and on RI-1040, page 1, line 2.

**RI SCHEDULE CR  
OTHER RI CREDITS**


**CURRENT YEAR OTHER RI CREDITS:**

This credit schedule details "Other Rhode Island Credits" being used on your RI-1040. Each Rhode Island credit has its own line. On the appropriate line, enter the dollar amount of the credit being taken. The total of all credits will be entered on Form RI-1040, page 1, line 9C.

**Proper documentation must be submitted for each credit you are using or carrying forward.**

If you are using amounts carried forward from prior years, attach a schedule showing the year of credit origination and any amounts used to date.

Any missing or incomplete documentation will cause a delay in processing your return.

 Pursuant to RIGL 44-30-2.6(c)(3)(E), only the following credits are allowed as credits against Rhode Island Personal Income Tax. No other credits can be allowed. This also pertains to any carry forward of a credit that is not listed in this section.

If the credit you are trying to use is not listed on

lines 1 through 3, that means the credit is no longer allowed against personal income tax. Entering an amount for an ineligible credit on one of these lines or on an attached statement will delay the processing of your return and result in the disallowance of the credit.

**Line 1 - Tax Credits for Contributions to Scholarship Organizations - RI-2276** - for business entities that make contributions to qualified scholarship organizations. The entity must apply for approval of the tax credit and will receive a tax credit certificate issued by the Division of Taxation. **The original certificate must be attached to the return.** The credit must be used in the tax year that the entity made the contribution. Unused amounts **CANNOT** be carried forward. RIGL §44-62

**Line 2 - Historic Structures - Tax Credit (Historic Preservation Investment Tax Credit) - RI-286B** – for approved rehabilitation of certified historic structures. **The original certificate must be attached to the return.** Any unused credit amount may be carried forward for ten (10) years. RIGL §44-33.2

**Note: This credit is for holders of a Historic Preservation Investment Tax Credit certificate received under the state's Historic Structures program only. This credit is NOT for owners of historic residences who qualified under the Historic Homeownership Assistance Act - RIGL §44-33.1.**

**Line 3 - Motion Picture Production Tax Credits or Musical and Theatrical Production Tax Credits - RI-8201** - for certified production costs as determined by the Rhode Island Film and Television Office or the Division of Taxation. **The original certificate must be attached to the return.** Any unused credit amount may be carried forward for three (3) years. RIGL §44-31.2 and RIGL §44-31.3.

**Line 4 - TOTAL CREDITS** - Add lines 1, 2 and 3. Enter the total here and on RI-1040, page 1, line 9C.

**RECAPTURE OF OTHER RI CREDITS:**

If a Rhode Island credit amount must be recaptured, enter the credit number, the credit name, and the amount of the credit to be recaptured in the space provided on lines 5 and 6.

**Line 7 - TOTAL AMOUNT OF CREDIT TO BE RECAPTURED** - Add lines 5 and 6. Enter here and on RI-1040, page 1, line 10B.

**RHODE ISLAND TAX COMPUTATION WORKSHEET**

Use for all filing status types

**TAX**

If Taxable Income- RI-1040, line 7 or RI-1040NR, line 7 is:	(a) Enter the amount from RI-1040, line 7 or RI-1040NR, line 7	(b) Multiplication amount	(c) Multiply (a) by (b)	(d) Subtraction amount	Subtract (d) from (c) Enter here and on RI-1040, line 8 or RI-1040NR, line 8
Over <b>\$0</b> But not over <b>\$57,150</b>		3.75%		\$0.00	
<b>\$57,150</b> <b>\$129,900</b>		4.75%		\$571.50	
Over <b>\$129,900</b>		5.99%		\$2,182.26	

# Rhode Island Tax Table

# 2012

Use if your RI taxable income is less than \$47,000. If your taxable income is \$47,000 or more, use the Rhode Island Tax Computation Worksheet located on page I-6.

### SAMPLE TABLE:

If Taxable Income - RI-1040NR, line 7 or RI-1040, line 7 is		<b>T A X</b>
At least	But less than	
25,200	25,250	946
25,250	25,300	948
25,300	25,350	<b>950</b>
25,350	25,400	952

### EXAMPLE:

- (1) Your taxable income from RI-1040 or RI-1040NR, page 1, line 7 is \$25,300.00.
- (2) Find the \$25,300 - 25,350 income line on this table.
- (3) The tax amount shown in the column "TAX" is \$950.00.
- (4) Enter the \$950 tax amount on RI-1040 or RI-1040NR, page 1, line 8.

If Taxable Income - RI-1040NR, line 7 or RI-1040, line 7 is:			<b>T A X</b>	If Taxable Income - RI-1040NR, line 7 or RI-1040, line 7 is:			<b>T A X</b>	If Taxable Income - RI-1040NR, line 7 or RI-1040, line 7 is:			<b>T A X</b>	If Taxable Income - RI-1040NR, line 7 or RI-1040, line 7 is:			<b>T A X</b>	If Taxable Income - RI-1040NR, line 7 or RI-1040, line 7 is:			<b>T A X</b>
At least	But less than	<b>T A X</b>		At least	But less than	<b>T A X</b>		At least	But less than	<b>T A X</b>		At least	But less than	<b>T A X</b>		At least	But less than	<b>T A X</b>	
<b>0</b>			<b>2,000</b>			<b>4,000</b>			<b>6,000</b>			<b>8,000</b>			<b>10,000</b>				
0	50	0	2,000	2,050	76	4,000	4,050	151	6,000	6,050	226	8,000	8,050	301	10,000	10,050	376		
50	100	3	2,050	2,100	78	4,050	4,100	153	6,050	6,100	228	8,050	8,100	303	10,050	10,100	378		
100	150	5	2,100	2,150	80	4,100	4,150	155	6,100	6,150	230	8,100	8,150	305	10,100	10,150	380		
150	200	7	2,150	2,200	82	4,150	4,200	157	6,150	6,200	232	8,150	8,200	307	10,150	10,200	382		
200	250	8	2,200	2,250	83	4,200	4,250	158	6,200	6,250	233	8,200	8,250	308	10,200	10,250	383		
250	300	10	2,250	2,300	85	4,250	4,300	160	6,250	6,300	235	8,250	8,300	310	10,250	10,300	385		
300	350	12	2,300	2,350	87	4,300	4,350	162	6,300	6,350	237	8,300	8,350	312	10,300	10,350	387		
350	400	14	2,350	2,400	89	4,350	4,400	164	6,350	6,400	239	8,350	8,400	314	10,350	10,400	389		
400	450	16	2,400	2,450	91	4,400	4,450	166	6,400	6,450	241	8,400	8,450	316	10,400	10,450	391		
450	500	18	2,450	2,500	93	4,450	4,500	168	6,450	6,500	243	8,450	8,500	318	10,450	10,500	393		
500	550	20	2,500	2,550	95	4,500	4,550	170	6,500	6,550	245	8,500	8,550	320	10,500	10,550	395		
550	600	22	2,550	2,600	97	4,550	4,600	172	6,550	6,600	247	8,550	8,600	322	10,550	11,000	397		
600	650	23	2,600	2,650	98	4,600	4,650	173	6,600	6,650	248	8,600	8,650	323	10,600	10,650	398		
650	700	25	2,650	2,700	100	4,650	4,700	175	6,650	6,700	250	8,650	8,700	325	10,650	10,700	400		
700	750	27	2,700	2,750	102	4,700	4,750	177	6,700	6,750	252	8,700	8,750	327	10,700	10,750	402		
750	800	29	2,750	2,800	104	4,750	4,800	179	6,750	6,800	254	8,750	8,800	329	10,750	10,800	404		
800	850	31	2,800	2,850	106	4,800	4,850	181	6,800	6,850	256	8,800	8,850	331	10,800	10,850	406		
850	900	33	2,850	2,900	108	4,850	4,900	183	6,850	6,900	258	8,850	8,900	333	10,850	10,900	408		
900	950	35	2,900	2,950	110	4,900	4,950	185	6,900	6,950	260	8,900	8,950	335	10,900	10,950	410		
950	1,000	37	2,950	3,000	112	4,950	5,000	187	6,950	7,000	262	8,950	9,000	337	10,950	11,000	412		
<b>1,000</b>			<b>3,000</b>			<b>5,000</b>			<b>7,000</b>			<b>9,000</b>			<b>11,000</b>				
1,000	1,050	38	3,000	3,050	113	5,000	5,050	188	7,000	7,050	263	9,000	9,050	338	11,000	11,050	413		
1,050	1,100	40	3,050	3,100	115	5,050	5,100	190	7,050	7,100	265	9,050	9,100	340	11,050	11,100	415		
1,100	1,150	42	3,100	3,150	117	5,100	5,150	192	7,100	7,150	267	9,100	9,150	342	11,100	11,150	417		
1,150	1,200	44	3,150	3,200	119	5,150	5,200	194	7,150	7,200	269	9,150	9,200	344	11,150	11,200	419		
1,200	1,250	46	3,200	3,250	121	5,200	5,250	196	7,200	7,250	271	9,200	9,250	346	11,200	11,250	421		
1,250	1,300	48	3,250	3,300	123	5,250	5,300	198	7,250	7,300	273	9,250	9,300	348	11,250	11,300	423		
1,300	1,350	50	3,300	3,350	125	5,300	5,350	200	7,300	7,350	275	9,300	9,350	350	11,300	11,350	425		
1,350	1,400	52	3,350	3,400	127	5,350	5,400	202	7,350	7,400	277	9,350	9,400	352	11,350	11,400	427		
1,400	1,450	53	3,400	3,450	128	5,400	5,450	203	7,400	7,450	278	9,400	9,450	353	11,400	11,450	428		
1,450	1,500	55	3,450	3,500	130	5,450	5,500	205	7,450	7,500	280	9,450	9,500	355	11,450	11,500	430		
1,500	1,550	57	3,500	3,550	132	5,500	5,550	207	7,500	7,550	282	9,500	9,550	357	11,500	11,550	432		
1,550	1,600	59	3,550	3,600	134	5,550	5,600	209	7,550	7,600	284	9,550	9,600	359	11,550	11,600	434		
1,600	1,650	61	3,600	3,650	136	5,600	5,650	211	7,600	7,650	286	9,600	9,650	361	11,600	11,650	436		
1,650	1,700	63	3,650	3,700	138	5,650	5,700	213	7,650	7,700	288	9,650	9,700	363	11,650	11,700	438		
1,700	1,750	65	3,700	3,750	140	5,700	5,750	215	7,700	7,750	290	9,700	9,750	365	11,700	11,750	440		
1,750	1,800	67	3,750	3,800	142	5,750	5,800	217	7,750	7,800	292	9,750	9,800	367	11,750	11,800	442		
1,800	1,850	68	3,800	3,850	143	5,800	5,850	218	7,800	7,850	293	9,800	9,850	368	11,800	11,850	443		
1,850	1,900	70	3,850	3,900	145	5,850	5,900	220	7,850	7,900	295	9,850	9,900	370	11,850	11,900	445		
1,900	1,950	72	3,900	3,950	147	5,900	5,950	222	7,900	7,950	297	9,900	9,950	372	11,900	11,950	447		
1,950	2,000	74	3,950	4,000	149	5,950	6,000	224	7,950	8,000	299	9,950	10,000	374	11,950	12,000	449		





DO NOT WRITE ABOVE LINE

## WHERE TO GET FORMS AND INFORMATION



On the World Wide Web  
[www.tax.ri.gov](http://www.tax.ri.gov)



Telephone  
Information (401) 574-8829, Option #3  
Forms (401) 574-8970



In person  
8:30am to 3:30pm

**Beginning January 1, 2013, the Rhode Island Division of Taxation will no longer prepare current-year tax returns on a walk-in basis. However, certain groups will prepare your Rhode Island personal income tax return, and your property-tax relief form, for you at no charge.**

**For locations and other details, contact:**

**United Way of Rhode Island's helpline: 2-1-1. Call toll-free by dialing 2-1-1, or visit [www.211ri.org](http://www.211ri.org).**

**The Volunteer Income Tax Assistance program. Call toll-free at 1-800-906-9887, or visit [www.irs.gov](http://www.irs.gov).**

**The AARP Tax-Aide program. After January 21, call toll-free at 1-888-227-7669, or visit: [www.aarp.org/taxaide](http://www.aarp.org/taxaide).**

The following non-profit organizations operate Low Income Tax Clinics partially funded by the IRS which assist qualified individuals with tax problems. While this is not a recommendation or endorsement by the R.I Division of Taxation, the information below is supplied as a public service.

Rhode Island Legal Services, Inc. (401) 274-2652

Rhode Island Tax Clinic, Inc. (401) 421-1040

**WANT YOUR REFUND FASTER?** Ask your preparer about electronic filing with direct deposit and get your refund weeks faster.

**DON'T HAVE A PAID PREPARER?** Free electronic filing is available through the Free File Alliance. Visit the IRS web site for details and links - [www.irs.gov/efile](http://www.irs.gov/efile)



### Directions

#### From points south

Take 95 north to exit 23 (State Offices). At the end of the exit ramp, go straight through the traffic light onto State Street. Take your first right into the parking lots. The Department of Administration building is the second building on your left.

#### From points north

Take 95 south to exit 23 (State Offices). At the end of the exit ramp, you can only continue in one direction onto Charles Street. Take a left onto Ashburton Avenue (at the liquor store). This will lead you back onto Charles Street in the opposite direction. At the second traffic light, take a right onto Orms Street (at the Marriott). At the next traffic light, take a left onto State Street. Take your first right into the parking lots. The Department of Administration building is the second building on your left.

### RHODE ISLAND DIVISION OF TAXATION MISSION STATEMENT

To assess and collect all revenue that the legislature places under the control of the Tax Administrator in the most efficient and cost effective manner and to foster voluntary compliance with the tax laws by instilling public confidence through professional, impartial and ethical conduct.